

### ***Caution: DRAFT FORM***

This is an advance proof copy of an IRS tax form. It is subject to change and OMB approval before it is officially released. You can check the scheduled release date on our web site ([www.irs.ustreas.gov](http://www.irs.ustreas.gov)).

If you have any comments on this draft form, you can submit them to us on our web site. Include the word DRAFT in your response. You may make comments anonymously, or you may include your name and e-mail address or phone number. We will be unable to respond to all comments due to the high volume we receive. However, we will carefully consider each suggestion. So that we can properly consider your comments, please send them to us within 30 days from the date the draft was posted.

Credit for Employer Social Security and Medicare Taxes  
Paid on Certain Employee Tips

OMB No. 1545-1414

Department of the Treasury  
Internal Revenue Service

▶ Attach to your return.

2000  
Attachment  
Sequence No. 98

Name(s) shown on return

Identifying number

**Note:** Claim this credit **ONLY** for social security and Medicare taxes paid by a food or beverage establishment where tipping is customary for providing food or beverages. See the instructions for line 1.

**Part I** Current Year Credit

1	Tips received by employees for services on which you paid or incurred employer social security and Medicare taxes during the tax year (see instructions)	1	
2	Tips not subject to the credit provisions (see instructions)	2	
3	Creditable tips. Subtract line 2 from line 1	3	
4	Current year credit (see instructions). Multiply line 3 by 7.65% (.0765). If you have any tipped employee(s) whose wages (including tips) exceeded \$76,200, check here <input type="checkbox"/>	4	
5	Form 8846 credits from flow-through entities		
	If you are a—	Then enter Form 8846 credit(s) from—	
	a Shareholder	Schedule K-1 (Form 1120S) lines 12d, 12e, or 13	5
	b Partner	Schedule K-1 (Form 1065) lines 12c, 12d, or 13	
6	Total current year credit. Add lines 4 and 5	6	

**Part II** Tax Liability Limit (See Who Must File Form 3800 to find out if you complete Part II or file Form 3800.)

7	Regular tax before credits:		
	• Individuals. Enter the amount from Form 1040, line 40		
	• Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return		
	• Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the applicable line of your return		
8	Alternative minimum tax:		
	• Individuals. Enter the amount from Form 6251, line 28		
	• Corporations. Enter the amount from Form 4626, line 15		
	• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 39		
9	Add lines 7 and 8		
10a	Foreign tax credit	10a	
b	Credit for child and dependent care expenses (Form 2441, line 9)	10b	
c	Credit for the elderly or the disabled (Schedule R (Form 1040), line 20)	10c	
d	Education credits (Form 8863, line 18)	10d	
e	Child tax credit (Form 1040, line 47)	10e	
f	Mortgage interest credit (Form 8396, line 11)	10f	
g	Adoption credit (Form 8839, line 14)	10g	
h	District of Columbia first-time homebuyer credit (Form 8859, line 11)	10h	
i	Possessions tax credit (Form 5735, line 17 or 27)	10i	
j	Credit for fuel from a nonconventional source	10j	
k	Qualified electric vehicle credit (Form 8834, line 19)	10k	
l	Add lines 10a through 10k	10l	
11	Net income tax. Subtract line 10l from line 9	11	
12	Tentative minimum tax (see instructions):		
	• Individuals. Enter the amount from Form 6251, line 26		
	• Corporations. Enter the amount from Form 4626, line 13		
	• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 37		
13	Net regular tax. Subtract line 10l from line 7. If zero or less, enter -0-	13	
14	Enter 25% (.25) of the excess, if any, of line 13 over \$25,000 (see instructions)	14	
15	Enter the greater of line 12 or line 14	15	
16	Subtract line 15 from line 11. If zero or less, enter -0-	16	
17	Credit allowed for the current year. Enter the smaller of line 6 or line 16 here and on Form 1040, line 49; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 4a; Form 1041, Schedule G, line 2c; or the applicable line of your return	17	